PRIORITY GROUP OF

Candidates for PSB Staff Director

Philip Davison

Frank Stanton

Wallace Carroll

Richardson K. Wood

Mr. Davison believes that Mr. Wood is the best bet -- see his attached memo.

May 4, 1951

MEMORANDUM

To: Mr. Sargeant - P

From: W. P. Davison - PCB

Subject: New PSB

    1.   On May 2 and 3 I talked with Mr. Schwartzwalder in
the Bureau of the Budget about the functions of the new PSB
and the continuing responsibilities of PCB. Mr. Schwartzwalder
is apparently the man who originally drafted the Presidential
directive of April 4, and he had a good bit to say about its
interpretation. Here are the principal points he made, as I
remember them:

    a.   The directive does not affect existing respon-
    sibilities of the various departments; it removes
    nothing from anybody.

    b.   The new Board is responsible for the formulation
    of national plans and policies; coordination of plans
    and activities on an interdepartmental level remains
    a responsibility of the State Department.

    c.   The manner in which interdepartmental coordination
    is to be achieved remains a responsibility of the Sec-
    retary of State.

    d.   The projects originally proposed to Mr. Webb as
    subjects for the new Board's attention would more
    appropriately be dealt with by existing machinery.

    2.   Mr. Schwartzwalder also looked over the paper entitled
"Facilities for Coordination of U. S. Psychological Warfare."
The version of this paper you have seen was re-drafted in line
with his comments, although he has not in any formal sense con-
curred in it. He remarked that he had been discussing this
subject informally with Mr. McWilliams and others from Mr. Webb's
office.

PCB:WPDavison:vth